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RECORDATION NO. 23416-T FILE

MAR 18 '03

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SURFACE TRANSPORTATION BOARD

OF COUNSEL
URBAN A. LESTER

March 18, 2003

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) copies of a Memorandum of Chattel Mortgage and Security Agreement Modification Agreement, dated as of March 14, 2003, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Chattel Mortgage and Security Agreement which was previously filed with the Board under Recordation Number 23416.

The names and addresses of the parties to the enclosed document are:

Secured Party: Allfirst Bank
25 South Charles Street
Baltimore, Maryland 21202

Debtor: Midwest Railcar Corporation
3 Professional Park Drive
Maryville, Illinois 62062

Mr. Vernon A. Williams
March 18, 2003
Page 2

A description of the railroad equipment covered by the enclosed document is:

23 covered hopper cars, 8 open top hopper cars, and 2 boxcars with CNW, MKTT, MP, SP, SSW, UP and WP reporting marks, as set forth in Exhibit A of the document.

A short summary of the document to appear in the index is:

Memorandum of Chattel Mortgage and Security Agreement Modification Agreement.

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Edward M. Luria".

Edward M. Luria

RWA/anm
Enclosures

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SURFACE TRANSPORTATION BOARD

**MEMORANDUM OF
CHATTEL MORTGAGE AND SECURITY AGREEMENT
MODIFICATION AGREEMENT**

dated as of March 14, 2003

by and between

**MIDWEST RAILCAR CORPORATION,
as Debtor**

and

**ALLFIRST BANK,
as Secured Party**

**MEMORANDUM OF CHATTEL MORTGAGE AND SECURITY AGREEMENT
MODIFICATION AGREEMENT**

THIS MEMORANDUM OF CHATTEL MORTGAGE AND SECURITY AGREEMENT MODIFICATION AGREEMENT (this "Agreement") is made as of this 14th day of March, 2003, by and between ALLFIRST BANK (the "Secured Party") and MIDWEST RAILCAR CORPORATION, an Illinois corporation (the "Debtor"), witnesseth:

RECITALS

A. The Debtor and the Secured Party are parties to that certain Loan Agreement dated as of March 20, 2001, as amended by the Loan Agreement and Chattel Mortgage and Security Agreement Modification Agreement dated as of April 12, 2002 and the Loan Agreement Modification Agreement dated as of March 3, 2003 (collectively, the "Loan Agreement"), pursuant to which the Secured Party agreed to extend to the Debtor a line of credit described in the Loan Agreement.

B. To secure the Debtor's Obligations (as defined in the Loan Agreement) to the Secured Party, the Debtor executed and delivered to the Secured Party a Chattel Mortgage and Security Agreement dated as of March 20, 2001 (as amended from time to time, the "Security Agreement"), pursuant to which the Debtor granted to the Secured Party a continuing, first priority security interest in and to, and lien on, certain railcars.

C. A Memorandum of Chattel Mortgage and Security Agreement (the "Memorandum of Security Agreement") was filed and recorded with the Surface Transportation Board pursuant to 49 U.S.C. 11301(a) on March 21, 2001 at 11:42 A.M., under Recordation No. 23416.

D. The Debtor subsequently purchased thirty-three (33) railcars (collectively, the "Railcars") described on Exhibit A attached hereto.

E. The Secured Party and the Debtor executed a Chattel Mortgage and Security Agreement Modification Agreement dated as of the date hereof pursuant to which the parties amended Schedule 1 to the Security Agreement by adding the cars marks and numbers of the Railcars to the collateral listed therein.

F. The Secured Party and the Debtor desire to amend certain provisions of the Memorandum of Security Agreement.

TERMS

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Secured Party and the Debtor hereby agree as follows:

1. The facts set forth above are true and accurate in each respect.
2. The Memorandum of Security Agreement is hereby amended as follows: Exhibit A attached to the Memorandum of Security Agreement is amended by adding the car marks and numbers of the Railcars.
3. The term "this Memorandum" as used in the Memorandum of Security Agreement shall mean the Memorandum of Security Agreement as modified herein unless the context clearly indicates or dictates a contrary meaning.
4. This Agreement may not be amended, changed, modified, altered, or terminated without in each instance the prior written consent of the Secured Party. This Agreement shall be construed in accordance with and governed by the laws of the State of Maryland.
5. This Agreement may be executed in any number of counterparts, all of which when taken together shall constitute one agreement

[SIGNATURES APPEAR OF NEXT PAGE]

IN WITNESS WHEREOF, the Secured Party and the Debtor have caused this Agreement to be executed under seal as of the date first above written.

WITNESS:

Henryk W. Grylic Craig

ALLFIRST BANK

By: Richard M. Folio (SEAL)

Richard M. Folio
Vice President

MIDWEST RAILCAR CORPORATION

By: Richard M. Murphy, III (SEAL)

Richard M. Murphy, III
President

STATE OF Maryland, CITY OF Baltimore, TO WIT:

On this 2nd day of March, 2003 before me personally appeared Richard M. Folio, to me personally known, who being by me duly sworn, says that he is the Vice President of ALLFIRST BANK, that seal affixed to the foregoing instrument is the seal of said corporation, that said instrument was signed and sealed on behalf of said corporation, by authority of its Board of Directors, and that he acknowledged that the execution of the foregoing instruments was the free act and deed of said corporation.

IN WITNESS WHEREOF I have set my hand and seal.

(SEAL)

HENRYKA W. GRYC CRAIG
NOTARY PUBLIC STATE OF MARYLAND
County of Baltimore
My Commission Expires September 20, 2005

My Commission Expires:

Henryk W. Grylic Craig
Notary Public

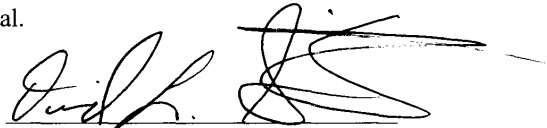
STATE OF Minnesota, CITY/COUNTY OF Sherburne, TO WIT:

On this 11 day of March, 2003, before me personally appeared Richard M. Murphy, III, to me personally known, who being by me duly sworn, says that he is the President of MIDWEST RAILCAR CORPORATION, an Illinois corporation, that seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation, by authority of its Board of Directors, and that he acknowledged that the execution of the foregoing instruments was the free act and deed of said corporation.

IN WITNESS WHEREOF I have set my hand and seal.



(SEAL)


Notary Public

My Commission Expires: 1-31-06

EXHIBIT A

DESCRIPTION OF RAILCARS

Twenty (20) 100-ton covered hoppers with trough hatches and gravity gates bearing the following car marks and numbers:

- 1 CNW 180242
- 2 CNW 180277
- 3 CNW 180474
- 4 MKTT 718633
- 5 MP 718414
- 6 MP 723534
- 7 MP 724153
- 8 MP 724377
- 9 SP 496488
- 10 SSW 70023
- 11 SSW 70171
- 12 SSW 70327
- 13 SSW 70395
- 14 SSW 70455
- 15 SSW 78601
- 16 SSW 78675
- 17 SSW 78821
- 18 SSW 78879
- 19 UP 76082
- 20 WP 12030

Three (3) 2pkt 100-ton small cube covered hoppers with round hatches and gravity gates bearing the following car marks and numbers:

- 1 MP 705733
- 2 MP 706721
- 3 SP 490412

Seven (7) 2pkt 100-ton open top hoppers bearing the following car marks and numbers:

- 1 SP 465058
- 2 SP 465277
- 3 SP 465541
- 4 SP 465690

- 5 SP 465794
- 6 SP 466487
- 7 WP 10211

One (1) 3pkt 100-ton open top hopper bearing the following car marks and numbers:

WP 10257

One (1) 60' 100-ton Boxcar with dbl sliding doors; 50K NSF bearing the following car marks and numbers:

MP261027

One (1) 60' 100-ton RBL Boxcar equipped with load dividers; sgl plg doors bearing the following car marks and numbers:

UP465078